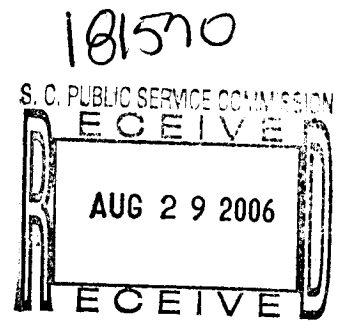


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SCOTT ELLIOTT

August 28, 2006

Mr. Charles L.A. Terreni
Chief Clerk of the Commission
SC Public Service Commission
P. O. Drawer 11649
Columbia, SC 29211

RE: Proceeding to Review the Gas Supply Agreement between SCE&G and SEMI
Docket No. 2004-126-E

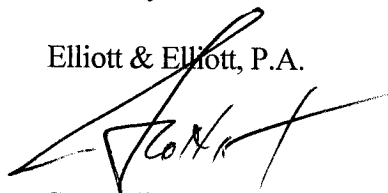
Dear Mr. Terreni:

As your records will reflect, I represent the South Carolina Energy Users Committee in connection with the above docket established to review a gas supply agreement between South Carolina Electric & Gas and its affiliate, SCANA Energy Marketing, Inc. This is to advise that the South Carolina Energy Users Committee will offer no objection to the approval of the gas supply agreement by the Public Service Commission. However, the South Carolina Energy Users Committee will reserve its right to challenge or question any subsequent renewal of the gas supply agreement in question or any similar request by any public utility for the approval of any such contract on the basis that it was not competitively bid or on any other valid basis.

Thank you for the courtesies you and your staff have shown my client and me. If you or counsel for the remaining parties have questions, I would be happy to answer them.

Sincerely,

Elliott & Elliott, P.A.



Scott Elliott

SE/jcl

cc: Mitchell Willoughby, Esquire
Florence P. Belser, Esquire
Catherine D. Taylor, Esquire